Summary Record of NSC Standing Group Meeting No. 10/63, July 16, 1963 -- 5:00 PM

1. Proposed U.S. Statement on Cuba

Deputy Under Secretary of State Alexis Johnson introduced the three papers which were circulated to the group under his memorandum of July 13th. Because any Presidential statement on Cuba would have an impact on the Harriman negotiations in Moscow, no one favored asking the President to issue a statement on July 26th. If it is decided to issue a statement, consideration will be given to making it on August 17th, which is the anniversary of the Alliance for Progress.

With respect to the content of the statement, Mr. McCone called attention to the following sentence which appears in both the proposed statements: "I am confident that all true friends of the Cubans share my conviction that the day is not too far distant when these aspirations will be fulfilled." His view, shared by Mr. Johnson and Mr. Martin, was that this prediction was too strong and gave a false impression that there would soon be a free Cuba.

General Goodpaster noted that in both papers it appeared that we were saying that Castro was sincere at the time he made promises to the Cuban people prior to his coming to power. He doubted that we should indicate that we believed that his promises were genuine. It was agreed that changes would be made to reflect Castro's promises as being assertions without appearing to give him the benefit of saying that his promises were genuine.

The Attorney General asked what effect the Harriman talks would have on the timing and content of the statement on Cuba. Mr. McGeorge Bundy replied by saying that Harriman had asked that there be no loud noises about Cuba during the time he was in Moscow.

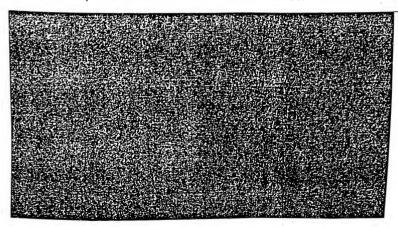
Mr. Martin said that the State Department had given Secretary Rusk a paper covering suggestions to negotiate with Castro. Although this paper recommended against such negotiations, Mr. Martin felt that the paper should be considered by the Standing Group before the

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group made any decision on a proposed Presidential statement on Cuba. He said a number of proposals had been made which involve negotiation with Castro. Two Congressmen had asked whether or not we should find out if Castro was ready to make a deal with us. One Congressman volunteered to go to Havana to talk to Castro along these lines.

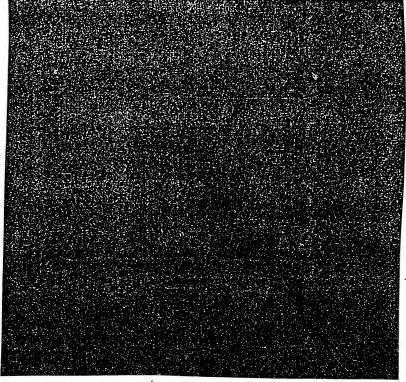
Mr. McGeorge Bundy suggested that the group should look at the negotiation paper. It was agreed that at the next meeting the paper would be considered. In the meantime, a decision on a proposed Presidential statement on Cuba would be deferred.

Mr. McGeorge Bundy said that he felt that things would have to get much rougher for Castro before he would consider any deal with us which we could accept. However, this did not mean that we should say now that we would never talk to Castro.



General Goodpaster referred to the INR paper on the Cuban balance sheet and asked whether the economic estimates contained in it meant that we believed the Cuban economy was as far down as it would go. Mr. McCone acknowledged that he did not know whether

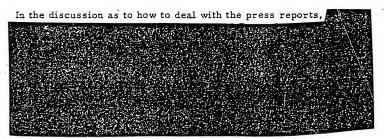
the economic predictions in the balance sheet paper were consistent with those in the latest National Intelligence Estimate. Mr. Martin said it was impossible to predict with accuracy what would happen to the economic situation in Cuba. Some believed that it would not get worse and would gradually improve in view of the massive Soviet aid now going to Cuba. He was not persuaded that the Russians could organize the Cuban economy in a way which would result in a very great improvement. He was not prepared to say that the Cuban economy had reached the bottom, adding that there was a possibility that 'he situation would get worse than it now is.





The group agreed that the plan should not be undertaken, but that we should adopt a policy of watchful waiting. Mr. McCone added that there was nothing else that we could do.

- There was a discussion of the widespread press reports that the U.S. was backing Cuban exiles who are planning raids against Cuba from Central American States. One news article shown the Attorney General was headed "Backstage with Bobby" and referred to his conversations with persons involved in planning the Cuban raids.



At the conclusion of the meeting, Mr. McGeorge Bundy mentioned to Mr. Alexis Johnson the President's interest in a declaration or doctrine which would put the Russians and the Latin Americans on notice that the U.S. would not accept a second Castro in this hemisphere. Mr. Bundy said some work on this declaration had been done, that the President had it very much in mind, and suggested that the State Department continue its work on a draft declaration.

Bromley Smith